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## UNITED STATES DISTRICT COURT DISTRICT OF NEVADA

DEUTSCHE BANK NATIONAL TRUST COMPANY, AS TRUSTEE FOR THE HOLDERS OF THE GSAMP TRUST 2005-SEA2;

Plaintiff,

VS.

THE FOOTHILLS AT SOUTHERN
HIGHLANDS HOMEOWNERS
ASSOCIATION; SFR INVESTMENTS POOL
1, LLC; RED ROCK FINANCIAL
SERVICES, LLC,
Defendants.

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Case No. 2:16-cv-00245-GMN-PAL

[PROPOSED] ORDER VACATING IN PART ORDER ENTERED JULY 27, 2018 [ECF NO. 81]

AND ALL RELATED MATTERS.

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On July 27, 2018, this Court denied summary judgment as to SFR Investments Pool 1, LLC's ("SFR") claims for quiet title and injunctive relief against Deutsche Bank National Trust Company, as Trustee for the Holders of the GSAMP Trust 2005-SEA2 ("Deutsche") and Mortgage Electronic Registration Systems, Inc., as nominee beneficiary for Meridias Capital, Inc. ("MERS") because, under *Bourne Valley Court Trust v. Wells Fargo Bank, N.A.*, 832 F.3d 1154 (9th Cir. 2016), the Foothills At Southern Highlands Homeowners Association ("HOA") "foreclosed under a facially unconstitutional notice scheme" and therefore the "foreclosure sale cannot have extinguished" either Deutsche's deed of trust or MERS' deed of trust on the property. [Order 9:4–6, 9:10-16, ECF No. 81]. The Ninth Circuit has since held, however, that Nevada's homeowner's

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association foreclosure scheme is not facially unconstitutional because the decision in *Bourne Valley* was based on a construction of Nevada law that the Nevada Supreme Court has since made clear was incorrect. *See Bank of Am., N.A. v. Arlington W. Twilight Homeowners Ass'n*, 920 F.3d 620, 624 (9th Cir. 2019) (recognizing that *Bourne Valley* "no longer controls the analysis" in light of *SFR Investments Pool 1, LLC v. Bank of New York Mellon*, 422 P.3d 1248 (Nev. 2018)). Accordingly, this Court vacates its Order [ECF No. 81] to the extent that the Order granted Deutsche's Motion for Summary Judgment as against SFR and to the extent that the Order denied SFR's Motion for Summary Judgment as it relates to Deutsche and MERS. In its stead, the Court enters judgment as follows:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the Order entered on July 27, 2018, as [ECF No. 81] is VACATED IN PART. Specifically, this Court vacates (1) the portion of the July 27, 2018 Order directing that summary judgment be entered in favor of Deutsche as to its claims against SFR, and (2) the portion of the July 27, 2018 Order directing that SFR's motion for summary judgment with regard to counterclaim defendant MERS be denied. The Court expressly does not vacate the portion of the July 27, 2018, Order directing that summary judgment be entered in favor of SFR with regard to its claims against Ulfat S. Siddiqui, in his individual capacity as well as in his capacity as trustee of the Ulfat S. Siddiqui Trust-90.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that SFR Investments Pool 1, LLC will proceed with its claims against MERS by filing a Renewed Motion for Judgment by Default as against MERS.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all claims between Deutsche Bank National Trust Company, as Trustee for the Holders of the GSAMP Trust 2005-SEA2 and SFR Investments Pool 1, LLC are dismissed with prejudice, with each party to bear its own fees and costs.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Red Rock Financial Services, LLC has already been dismissed, with prejudice, from this action and need not participate further in these proceedings.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the status check 1 hearing scheduled for July 11, 2022, at 11:00 AM, is vacated. 2 3 4 5 6 7 8 9 Respectfully submitted by: Approved as to form and content by: 10 HANKS LAW GROUP AKERMAN LLC 11 /s/ Chantel M. Schimming /s/ Scott R. Lachman CHANTEL M. SCHIMMING, ESQ. ARIEL E. STERN, ESO. 12 Nevada Bar No. 8886 Nevada Bar No. 8176 7625 Dean Martin Drive, Suite 110 SCOTT R. LACHMAN, ESQ. 13 Nevada Bar No. 12016 Las Vegas, Nevada 89139 1635 Village Center Circle, Suite 200 Attorneys for SFR Investments Pool 1, LLC 14 Las Vegas, Nevada 89134 Attorneys for Deutsche Bank National Trust 15 Company, as trustee for the Holders of the GSAMP Trust 2005-SEA2 16 Approved as to form and content by: 17 **KOCH & SCOW LLC** 18 /s/ Steven B. Scow 19 DAVID R. KOCH, ESQ. Nevada Bar No. 8803 20 STEVEN B. SCOW, Esq. Nevada Bar No. 9906 21 KERRY P. FAUGHNAN, ESQ. Nevada Bar No. 12204 22 11500 S. Eastern Ave., Ste. 210 IT IS SO ORDERED. Henderson, NV 89052 23 Attorneys for Red Rock Financial Services, Dated this 7 day of July, 2022. LLC 24 25 26 Gloria M. Navarro, District Judge UNITED STATES DISTRICT COURT 27

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